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POINT FOUR AND PEACE

By Edna Lonigan

On May 24 President Truman submitted his formal request for "foreign aid" for the fiscal year 1951-1952. The President asked for $6.25 billions for "military assistance" and $2.25 billions for "economic aid". This is slightly larger than the amount asked for the year just ended.

General Marshall says that we shall have to continue this help for three years, making about nineteen billions of new gifts to foreign countries. At the same time it is said that the agencies have large balances, because it is difficult to persuade foreign governments to take the money.

ECA has now been converted into an agency to help Europe rebuild her armament industry. The chief difference between "military assistance" and "economic aid" turns on whether we give the final product or the materials and equipment for producing it.

The same "foreign aid" for the protection of "American security" and the "freedom-loving peoples" has been with us since Lend-Lease first applied the principle of deficit spending to the foreign field. Differences of label, and of the catalogue description of various items, are easily explained by the extraordinary ease with which the "parts" of a program for government control of our economy can be "assembled" in different packages, when the makers of the blueprints are experts in the design for power.

Economic aid for areas outside Europe is practically identical with Point Four, which is rapidly moving toward first place in the global "peace" program that will hold the center of the stage (and continue high government spending) if "peace" breaks out.

II

The early stages of the grand design for the people of the United States to make over the rest of the world were described in HUMAN EVENTS two years ago, when they were first unveiled.

Point Four has moved, as inexorably as a glacier, to its appointed end, pushed onward by powerful subterranean pressures while the surface changed hardly at all.

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This plan was described in press and radio under its appropriate code name of "Operation Cosmic". It was to be the Eisenhower Plan, to fill the gap when the Marshall Plan ended. The details of how the plan is to be administered are given in the Report of the International Development Advisory Board, known as the Rockefeller Report.

The Rockefeller Report proposes that we adopt the billion people of the "underdeveloped areas" and give them the capital and management necessary to raise their living to Western standards. The income of the people of the backward areas is only $80 billions, while a few million Americans have over $250 billions a year. This is obviously unfair, but it proves that we have enough and to spare to even out the difference.

The Report argues for a wholly new agency, to take over all foreign aid programs, and operate directly under the President, not the State Department. (This is not what the State Department will recommend.)

This "Overseas Economic Administration" is to have some curious powers. It is to be the claimant for all goods for export -- for all foreign countries. It is to take part in the "production and flow" of imports needed by this country. It is to handle all procurement abroad of material for the United States Government and defense agencies, and to control the price of primary and manufactured goods moving in foreign trade. These are the delicate kind of controls which the economists of National Socialism worked out so brilliantly.

The Rockefeller Report, like the Gray Report of last year, proposes an outright grant of $500 millions to the new authority. Such small sums are not insignificant. They establish the idea of international grants-in-aid, the formula which did so much to destroy the independence of our states.

Projects are to be operated in various ways -- under bilateral agreements with individual nations, joint projects with UN, contracts with private business, private philanthropies and missionary agencies. Most of the work is to be done through "institutes", that is, through independent government corporations, which are not subject to the annoying restrictions on financing and personnel that restrain government agencies under statute law.

Most of the capital is to be provided from private sources, about a billion a year above present levels. Private lenders will be saved from the pains of risk-taking. In return private lenders will agree to let the government "plan" their investments, and determine prices, labor conditions, and "fair employment practices".

This is free enterprise, collectivist style. The difference is

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like the difference between a man walking across a sunny field in Iowa and a man walking across a sunny field in Nazi Germany with the guns of the State police trained on him from a distance, unseen and unheard, to make sure he does not deviate from the course assigned him.

III

Point Four will grow with the coming campaign, as Lend-Lease grew from small and innocent beginnings. Senator Brien McMahon, often the chosen instrument of the Administration, has outlined the shape of the coming "peace". As war spending is cut down, the total saving is to be routed to UN, to be spent on Point Four. Let's not delay, says the Senator, to tell the world: "Here is our defense money; join us in a secure system to regulate all weapons, and the money you save . . . can be pooled through a common United Nations Fund to buy bread and tractors."

It we are spending $50 billions for arms, we will spend $50 billions for Point Four. If arms costs go up to $70 billions, then in peace we can spend $70 billions on Point Four. This plan, says the Senator, "would not cost the United States one cent". Anyone who thought the money saved by peace would be returned to the citizens for their use has only his own credulity to blame.

If you doubt Senator McMahon, listen to Mr. Truman. The President said last October that if disarmament was achieved, "our armaments would be transformed into food, medicine, tools for use in undeveloped areas and into other aid for human advancement".

A United Nations report proposes to put $19 billions a year into undeveloped countries. This was endorsed by the New York Times in words almost identical with Senator McMahon's. They quote from the UN Report that "large numbers of persons who cannot keep up with progress have to have their expectations of comfortable life frustrated". The Times is more and more assuming the functions of an organ of the Left-wing of the Fair Deal.

Now comes Mrs. Roosevelt on June 15. Asked what would happen to our economy if peace comes, she said, "With the crying needs that confront us in all parts of the world, we would have no difficulty in disposing of our surplus production." [Italics ours.]

Some people, she says, are fearful of investing in government bonds but "Savings are going to be essential . . . to tide us over the period during . . . return to a normal civilian economy." Here is the outline, faint but unmistakable, of forced savings in peacetime, or perhaps a capital levy for foreign aid. Why not? "We may possibly lose some of the money we saved", she says, "but at least one can feel that we have

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spared our government what might prove to be serious losses for them as well as for ourselves." [Italics ours.]

IV

The estimated cost of the President's foreign gifts is almost exactly equal to the amount Congress is asked to provide in new taxes on American families.

General Marshall offers as one of his reasons for our giving money to other countries that they might "become impoverished" if they had to depend only on themselves. This airy economics implies either that Americans will not become impoverished if they give away their accumulated capital -- or that it does not matter. American foreign spending is really a variant of the theory of "fair shares". If it is proper to take from the haves to give to the have-nots, to make for equality within a nation, how much more logical to apply the same redistribution of wealth between the rich nations and the deserving poor ones! Let us not forget, however, that it is the Communists who are steering the Socialist ship. Why have a war, if peace has such victories!

This plan for international fair shares to "wage peace" is promoted by the vast and complex propaganda apparatus that the Administration and its collectivist allies have now built up in our religious bodies. Government agencies have been given a directive to use more religious themes in all their public relations.

There is, of course, not the smallest hope that Point Four will help undeveloped nations or the cause of true peace. It will force on the overcrowded countries of the East a repetition of what Raymond Pearl called the pathological uprush of population in Western Europe in the 19th Century. It looks more and more, as Roepke suggested, as if it was this uprush of new lives, too fast for social institutions to assimilate them, that caused the political breakdown and destroyed the promise of the 19th Century. What will happen if such a breakdown in institutions hits a continent where there is no empty land, and few prerequisites for industrial expansion, it is not hard to imagine.

No, the only reason for our foreign aid, either to Europe or to Asia, is to fulfill the first law of absolute power -- to transfer the wealth of the nation to the ruling group. Peace and welfare take the place in our day of Rome's circuses, Lorenzo de Medici's art, and all the other diversions for the multitude.

The growth of absolute power, today as always, rests on government capture of the wealth of the nation. The descent to absolutism can be stopped when we find the political means to keep our own money.

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Not Merely Gossip *Supplement to* Human Events Vol. VIII, No. 27

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By Frank C. Hanighen July 3, 1951

FIRE AND CEASE-FIRE: At the very hour when "cease-fire" monopolized the headlines, a much less conspicuous story signalled the beginning of a new and perhaps far more momentous struggle -- but this time on the domestic front.

Three days after Sen. Harry Byrd fired off what is agreed to have been the most violent attack he has ever launched against the Truman Administration, the Fair Deal counterattacked with no less vigor. Paul E. Fitzpatrick, Democratic State Chairman of New York, assailed what he chose to call "Dixiecrat reactionaries" and their alliance with Republican members of Congress; and this -- it is believed -- on inspiration from the White House.

Few observers doubted that a real split threatens the Democratic Party and that the resultant conflict is destined to shake the foundations of both political parties between now and November 1952. The cloud from across the Mason-Dixon line, no bigger than a man's hand, may prove of greater importance in deciding the fate of the United States than the outcome of the Korean war.

In the past 72 hours, as the facts were sorted in endless discussions in press rooms, these views have hardened and many initial reservations have disappeared.

Was this merely the voice of Byrd, incorrigible "Truman hater"? Not at all. Such powerful Southern figures as Senators George and Russell urged the Virginian to make the speech.

Is this merely another "Dixiecrat revolt", fated to end like that of Thurmond and Wright? By no means. These are the men -- and with them is Governor James F. Byrnes, former Secretary of State -- who stayed aloof from the venture of 1948, and waited. They now feel their hour has struck.

Can the Administration conciliate them or buy them off? Maybe, but the White House isn't acting that way now -- witness the philippic of Fitzpatrick.

Nor is it believed that time will heal the breach in the Democratic Party. Those who study the developing "irrepressible conflict" point to five milestones in this process of Democratic disunion, as follows:

(1) Anticipated announcement (probably the middle of July) of a new committee, already dubbed the "elder statesmen" group, composed of former members of Congress, governors, etc., of both parties -- calling for a realignment of parties.

(2) The Southern Governors conference next fall. More fireworks than usual.

(3) During the fall, Supreme Court decision or decisions on several cases which affect the South.

(4) The opening of the second session of the 82nd Congress in January, when there may be an attempt to formalize the Southern Democrat-Republican "alliance".

(5) Finally, the nominating conventions next July.

Unless many present guesses are wrong, the Democratic Party will suffer severely at most of these junctures.

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PEACE: A MILITARY TRAP: Last week, the Administration which (for domestic reasons) had been hollering lustily for peace for two months was about as hospitable as an icebox towards the Malik offer to satisfy this passion for peace. Grave admonitions of "propaganda" and dire warnings of a "trap" littered the propaganda of "higher

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circles". For the White House crowd were worried lest too much talk of peace would discourage Congress from passing the totalitarian economic controls necessary for supreme domestic political power.

This week, the Administration, apparently realizing that Russia had forced its hand and that no back tracking from peace is possible, exudes an air of "make-the-best-of-it" and is wearing a smile. But just at the time when it abandons talk of a "trap", military circles -- as usual muzzled from telling the people the truth -- are becoming more alarmed than ever at the possibility of a "trap". The worst of it is that such rheumatic intellects as those of Marshall, Bradley and Collins -- all infantrymen -- are genuinely incapable of grasping the reality of the danger.

Only the Air Corps and some admirals perceive the peril, as follows:

During the expected cease-fire and anticipated dragging out (in the Soviet manner) of the negotiations, the enemy could build up its air strength to a point where a UN military disaster, even greater than that of last December, would be likely.

It is recalled that the Chinese Communist air strips in North Korea have been kept in repair despite recent Allied bombings. The Reds every night have been fixing up the damage inflicted by our planes. But with a cease-fire -- it is anxiously pointed out -- the Allied bombing would naturally cease. What guarantee is there -- it is asked -- that the Reds won't utilize this respite to build up their air strength, which has grown enormously in the past six months since MacArthur was forbidden to crush it at birth? Why should not the Reds, for instance, convey -- under cover of darkness -- fuel supplies to these forward air strips? Our bombing has prevented any such provisioning up 'til now.

And, if the cease-fire talks collapse?

At these forward bases, thus supplied and made ready during a truce, the Soviets could then refuel planes sent from the Yalu region. From these advance bases they could fly far behind our lines and disrupt land and sea communications. Could we then adequately supply our armies at the front?

Indeed, Air Corps circles are so disturbed at this prospect that they are now saying: "Earlier in the war, we could control the air and therefore we suffered from no enemy threat to our supplies. If the cease-fire is concluded, we can no longer guarantee unchallenged control of the air, nor uninterrupted safety to those lines of communications."

In short, the Reds -- it is feared -- will enormously strengthen their striking power under cover of a truce and then utilize this augmented threat either to stage another offensive (while we may be trying to help the British in Iran) or, if peace still prevails, to bolster the Red diplomatic power at the Korean conference table.

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WARNINGS: Congressman Judd has warned about a "double cross" in the Korean cease-fire truce. He recalled that the Chinese Reds consistently double-crossed the Chinese Nationalists in cease-fire agreements during the civil war several years ago. These truces were arranged by Marshall.

It is rumored that the Joint Chiefs have been concerned about the nature of the Korean cease-fire arrangements, that they fear duplicity. But it is believed that Marshall overruled their objections and gave his endorsement to the present cease-fire scheme in Korea.

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PEACE: DIPLOMATIC TRAP: Some publicists must now feel like the man who built a house but after completion found it had been, by a surveyor's error, erected on the wrong lot. For ten days ago, right after Malik's offer, these commentators laid weight on the statement that Malik's proposal should be treated with seriousness because he did not lay down conditions such as admission of Red China to the UN and return of Formosa to China.

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For instance, Reston of the New York Times wrote on June 26: "The thing that gave Mr. Malik's Saturday broadcast its special significance was that in the section of the speech dealing with the proposals for a cease-fire, he did not say -- as he and the Chinese Communists had in the past -- that Peiping's claims to Formosa and a seat in the UN had to be recognized in any cease-fire negotiations."

Actually the facts are quite otherwise. Searching the debates in the UN Assembly during the Korean war, it is found that Malik never stipulated Formosa or a seat for Peiping in the UN during the debates. On December 9, 1950, in the middle of our military debacle, Malik talked of peace and an immediate withdrawal of all foreign troops from Korea. But he did not mention Formosa or the UN seat. When the Arab-Asiatic bloc appealed through the UN to Peiping for peace last January, it was puppet China which talked about peace involving Formosa and the UN seat -- it was not Soviet Russia. Russia in these diplomatic exchanges in effect let Peiping carry the ball for these demands.

In short, Malik in his celebrated proposal said nothing at all to inspire hope that a real honest-to-goodness peace -- and no nonsense about Formosa or the seat in the UN -- was in the cards. He deviated not a tittle from his former stand and conditions of cease-fire. Those who have erected hopes of real peace on a dangerously inaccurate memory of the Soviet's sly diplomatic wriggling have simply built a dream castle on someone else's lot.

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BACK TO STOCKHOLM: The Malik proposal which led to talk of a truce is "only a variant of the Stockholm peace proposal in American dress", said Senator Jenner (Ind.) in a shrewd speech before the Senate on June 27. The Stockholm proposal was the work of the World Peace Congress, cited by the State Department as a Communist front. Jenner said, "If you want to find out how the Communists have been working on their build-up for the Malik proposals, you can find it fully outlined in the report of the House Un-American Activities Committee called The Communist Peace Offensive. Only change the words a little and the Stockholm peace petition becomes the Soviet Union's peace proposal for Korea."

Jenner also referred to another Senator, without naming him, as part of the new "Stockholm peace offensive", thereby setting the cloakrooms abuzz with speculation as to whom he meant. Jenner went on: "Recently, even a prominent member of this body was won over to propose a 'peace' resolution for a cease-fire on June 25, the anniversary of the start of this war that isn't a war. If you look at the peace resolution introduced in this body you will see that the Senator makes two main points. He wants all 'foreign' troops withdrawn from Korea, and -- in the statement of purpose -- he praises the American principle of self-determination for small nations."

"That Senatorial resolution", continued Jenner, "has been sent all over the United States by the Soviet propaganda machine. It has been sent to women's groups, churches, editors and families of men in Korea. Many of you here in this body have received letters from innocent loyal Americans which were written as a result of the clever Soviet campaign for a mock 'peace'."

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TROOPS FOR EUROPE: Secretary Marshall and the Joint Chiefs of Staff are worried. Specifically, they are worried about a provision in the "troops for Europe" bill passed last spring. That bill requires that the Joint Chiefs issue a certificate that the Western European nations are doing their part in building up the Western army, before American troops are sent to Europe.

Yesterday, Congressman Reece (Tenn.) asked General Marshall in committee hearings if he had such a certificate. The Defense Secretary replied that he had not received it from the Joint Chiefs. In view of reports that Eisenhower has shown discontent with the contribution of Europeans, members of Congress may press for an honest answer to queries concerning the certificate. After all, it's in the law.

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Congressman Judd also raised some doubt about the European effort yesterday in the same hearings when he challenged Marshall's professed optimism about European activity. Judd, who visited GHQ in Paris a fortnight ago, said he understood that the Europeans would put only 2 million troops in the field, while Americans would number 3-1/2 million.

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THE BATTLING EDUCATORS: "Progressive" education is on the warpath. Beginning this week, a series of "Education Summer Workshops" will be held under the aegis of the School of Education, New York University. The purpose of these meetings, as stated in the announcement, is to consider "ways to prevent and meet current attacks on public education". Elaborating on this purpose, the announcement says that the workshops are designed "to give administrators and others the best guidance and materials that can be secured from some of the ablest persons and groups in the country in regard to preventing, through the soundest educational program possible, the increasing attacks, both national and local, upon our schools".

We do not know of any attacks, organized or individual, on the public schools. But, there has been considerable criticism, organized and individual, of "progressive" education; to identify this system of education with our public schools is to assert that before it was introduced we had no public schools.

The so-called educators are disturbed by this criticism, because if it is effective it will undermine their control of the educational facilities of the country. They are not meeting to consider this criticism, they are not concerned with education as such. Their concern is with the "vested interest" they are seeking to build up for themselves. They are girding their loins for a battle with parents and taxpayers who insist on having their say on how the children shall be educated.

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COMPLAINT COLUMN: General Wedemeyer's resignation from the Army has been accepted and he has taken a job as Vice-President of Avco Manufacturing Company. There is nothing wrong about that, except that it is a waste of talent. How often in the past few weeks have we heard the comment, "General Wedemeyer should devote his time to alerting the country to its present danger".

Why should not a fine officer, who proved his courage and sound Americanism, be appointed to head a large foundation or a college, from which position he could continue to exert a beneficent influence on public opinion? Why do foundations and colleges appoint such mediocrities as Paul Hoffman and General Eisenhower and pass over a man like Wedemeyer?

---- We have noticed that various Hollywood figures, whose loyalty did not stand the test of the House Un-American Activities Committee questioning, continue to be allowed to act or write for film companies, and have their names "in lights". Why do not various anti-Communist organizations picket theaters which feature the films on which these individuals have worked?

---- Why does the press still refer to Senator O'Mahoney (Wyo.) as a liberal, without quotes? In the recent debate on controls, this representative of a great cattle-grazing state baldly proposed that all rollbacks be retained except on beef. There was a titter of cynical laughter in the Senate as he said it.

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CONSOLIDATING CONTROL? It is reported that the resignation of Marriner S. Eccles from the Federal Reserve Board will shortly be followed by that of Matthew S. Szymczak, another opponent of the policy of financing by fiat advocated by the Treasury Department. Those who are concerned with the fiscal gyrations of the Government are anxiously awaiting announcement of their replacements. If they turn out to be yes-men, whatever restraining influence the Board had on the Treasury will be gone -- and the course of inflation will be that much easier.

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